IN THE HIGH COURT OF JUDICATURE

ANDHRA PRADESH
AT HYDERABAD

THE HON'BLE MR JUSTICE J.CHELAMESWAR

and
THE HON'BLE MR JUSTICE D.APPA RAO

WRIT PETITION NO :4960 of 2006

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Dated: 15th June 2006.

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Between:

M/s Ram Spinners Private Limited

..... PETITIONER

AND

The Commissioner of customs and Central Excise, Commissionerate I, Kendriya Bhavan, Bhasheerbagh, Hyderabad and another

.....RESPONDENTS

THE HON'BLE SRI JUSTICE J.CHELAMESWAR

AND

THE HON'BLE SRI JUSTICE D.APPA RAO

W.P.NO.4960 OF 2006

ORAL ORDER:

(Per the Hon'ble Sri Justice J.Chelameswar)

Aggrieved by an order of the Customs, Excise and Service Tax Appellate Tribunal, South Zonal Bench, dated 01-12-2005, by which the Tribunal declined the grant of waiver of the condition pre-deposit, for maintaining the appeal and directed the petitioner to deposit an amount of
Rs.20-00 lakhs, the present writ petition is filed.

The Tribunal recorded a finding that *prima facie* the appellant/petitioner do not have a strong case to grant full waiver in the matter, on the other hand, the petitioner pleads that it suffered heavy losses in the last two years and its financial condition is such that it is not in a condition to comply with the conditional order passed by the Tribunal.

Heard the learned Assistant Solicitor General of India.

In the circumstances, we are of the opinion that since, almost half of the amount demanded is the amount representing the penalty, we deem it appropriate to modify the order of the Tribunal to that of directing the petitioner to deposit an amount of Rs.10-00 lakhs within a period of six weeks and on such deposit, the Tribunal shall hear the appeal of the petitioner on merits.

With the above modification, the writ petition is disposed of at the stage of admission.

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J.Chelameswar, J

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D.Appa Rao, J

15th June 2006

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